

M. GALE LEMMON #4363
Assistant Attorney General
MARK L. SHURTLEFF #4666
Attorney General
Attorneys for Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, UT 84114
Telephone (801) 538-3872

RECEIVED

JUN 14 2005

**UTAH STATE
INSURANCE DEPT.**

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

**STIPULATION
&
ORDER**

RESPONDENT:

MELINDA K. GOODMAN
fka MELINDA K. AUSTIN
c/o Surety Title Agency
6770 South 900 East, Suite 200
Midvale, UT 84047
License No. 104946

Docket No. 2005-057 PC

Enf. Case No. 1557

STIPULATION

1. Respondent, Melinda K. Goodman, fka Melinda K. Austin, is a licensed title insurance agent in the State of Utah, holding License No. 104946.

2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:

- a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
- b. Respondent admits the Findings of Fact and Conclusions made therefrom;
- c. Respondent stipulates to the summary entry of the Order herein which shall be

in lieu of other administrative proceedings by Complainant in this matter; and

d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

3. Respondent is aware of her right to a hearing at which she may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived her right to such hearing and to any appeal related thereto.

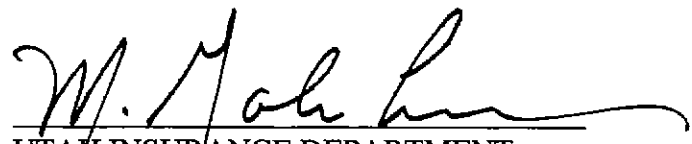
4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to her rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for the purpose of disposition of the matter entitled herein.

DATED this 12 day of June, 2005.


MELINDA K. GOODMAN


UTAH INSURANCE DEPARTMENT
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. During the period of November 19, 2002, through November 22, 2002, Respondent, acting as a title escrow agent for Security Title Insurance Agency of Utah, Inc., closed seven (7) real estate transactions in which she failed to record the Trust Deeds in a timely manner.

2. During the period of November 19, 2002, through November 25, 2002, Respondent, acting as a title escrow agent for Security Title Insurance Agency of Utah, Inc., closed five (5) real estate transactions in which she failed to disburse funds on the date set in the closing documents, delaying disbursements from 2 days to 2 weeks.

3. Between the dates of December 11, 1998 and December 13, 2002, Respondent, acting as a title escrow agent for Security Title Insurance Agency of Utah, Inc., closed six (6) real estate transactions in which she failed to have the borrower bring in sufficient funds, resulting in deficiencies in the escrow trust account ranging from \$309.56 to \$3,305.57. Said actions on the part of the Respondent required the title agency to lose funds totaling \$8,970.53.

4. On July 7, 2003, Respondent, acting as a title escrow agent for Capitol Title Insurance Agency, closed a real estate transaction failed to follow the lender's escrow instructions by failing to record a subrogation agreement, resulting in the lender not being in a first lien position.

5. On November 20, 2002, Respondent, acting as a title escrow agent for Security Title Insurance Agency of Utah, Inc., closed a real estate transaction. The borrower brought in a personal check on November 27, 2002, and the Respondent disbursed funds the same day without waiting for the personal check to clear.

6. On the dates of December 11, 1998, and November 22, 2002, Respondent, acting as a

title escrow agent for Security Title Insurance Agency of Utah, Inc., closed real estate transactions and the funds disbursed by the Respondent did not reflect the amounts in the HUD-1's signed by the parties to the transactions.

7. On November 11, 2002, Respondent, acting as a title escrow agent for Security Title Insurance Agency of Utah, Inc., and on June 25, 2003 and October 8, 2003, acting as a title escrow agent for Capitol Title Insurance Agency, closed real estate transactions in with the instructions from the lender required that any outstanding property taxes be paid. Respondent failed to pay the property taxes in accordance with the lenders' instructions in these transactions.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. In failing to disburse funds in a timely manner in real estate closings, in failing to pay property taxes in connections with real estate closings, in making disbursements that did not match the HUD-1's in real estate closings, and in failing to record a subrogation agreement, Respondent violated Utah Code Annotated § 31A-23a-406(3).

2. In failing to record trust deeds in a timely manner following a real estate closing, Respondent violated Utah Code Annotated § 31A-23a-406(4).

3. In disbursing funds from an escrow prior to having sufficient funds deposited and in disbursing funds from an escrow before a personal check cleared, Respondent violated Utah Code Annotated § 31A-23a-406(5).

4. Respondent's actions bring into question whether she meets the character requirements to hold a license under Utah Code Annotated § 31A-23a-107(2), as being

competent and trustworthy.

5. Respondent is subject to an administrative forfeiture of up to \$2,500.00 for each violation of the Utah Insurance Code under Utah Code Annotated § 31A-2-308(1)(b)(i).

6. Respondent's license is subject to suspension pursuant to Utah Code Annotated § 31A-23a-111(4)(a)(ii), under subsections -111(4)(b)(i) and -111(4)(b)(ii)(A), and is subject to having her license placed on probation under Utah Code Annotated § 31A-23a-112.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

ORDER

IT IS HEREBY ORDERED:

1. Respondent's license is suspended for a period of 10 days, beginning on June 13, 2005, and shall continue through June 22, 2005. During the period of suspension of her license, Respondent shall not perform any duties for any licensee of the department.

2. Respondent is assessed an administrative forfeiture in the amount of \$2,000.00, to be paid within 30 days of the date of this Order.

3. Respondent's license is placed on probation for a period of 24 months beginning with the date of this order. The period during which Respondent's license is suspended shall not count as part of the probationary period, and 10 days shall be added to the term of probation for the period of suspension. The terms of said probation are as follows:

- a. Respondent shall pay the administrative forfeiture assessed herein in a timely manner.
- b. Respondent shall complete a title insurance pre-licensing education course approved by the department and provide satisfactory evidence of completion to the department title investigator. Said course shall be completed and

satisfactory evidence of completion shall be provided within 6 months of the date of this Order.

- c. Respondent shall have no further violations of the Utah Insurance Code or Rules or of any order of the commissioner.

NOTIFICATION

Respondent is hereby notified that failure to abide by the terms of this Order may subject her to further penalties, including additional forfeitures of up to \$2,500.00 per violation and the suspension or revocation of her license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 14th day of June, 2005.

D. KENT MICHIE
INSURANCE COMMISSIONER

MARK E. KLEINFELD, Esq.
Administrative Law Judge
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114
Telephone (801) 538-3800

CERTIFICATE OF MAILING

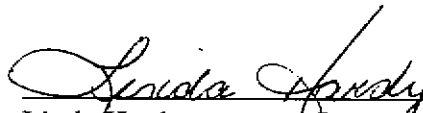
I do hereby certify that on this date I mailed, by regular mail, postage prepaid, a true and correct copy of the attached:

**STIPULATION
&
ORDER**

To the following:

**Melinda K. Goodman
fka Melinda K. Austin
c/o Surety Title Agency
6770 South 900 East
Midvale, UT 84047**

DATED this 14th day of June, 2005


Linda Hardy Insurance Technician
Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, UT 84114-6901
(801) 538-3813